

Spring 2006

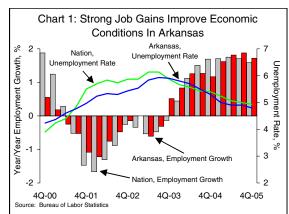
### **Arkansas**

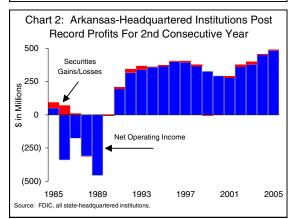
Arkansas' robust economic expansion throughout 2005 contributed to another year of record earnings for institutions headquartered in the state.

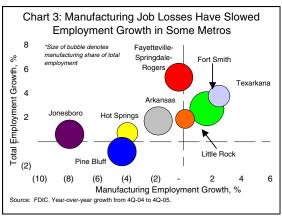
- The Arkansas economy continues to add jobs at a healthy
  pace, while the unemployment rate is falling toward
  pre-recession levels (see Chart 1). Job growth has been
  led by the education and health and government sectors,
  which combined represented nearly one out of every two
  net new jobs added during the past year.
- The state's strong economy during 2005 also has been beneficial for its banking industry, as institutions headquartered in the state achieved record net income for the second consecutive year, primarily due to increased net operating income (see Chart 2).
- This strong level of earnings helped institutions boost capital ratios and allowances for loan and lease losses. As of year-end 2005, the median tier one leverage capital ratio for institutions headquartered in the state was 10 percent, its highest year-end level on record. The median allowance for loan and lease losses as a percent of total loans was 1.42 percent, the fifth highest rate in the nation.

# Continued weakness in manufacturing slows total employment growth in Jonesboro and Pine Bluff.

- Most of the state's metropolitan areas experienced strong employment growth. Fayetteville-Springdale-Rogers, Texarkana, and Fort Smith all ranked within the top 100 metropolitan areas in the nation for employment growth over the past year. <sup>1</sup> These areas experienced healthy growth in most job sectors, while recording negligible job losses or, in some cases, modest gains in the struggling manufacturing sector. Since 2000, Arkansas has shed nearly 39,500 manufacturing jobs, including 3,500 jobs in the past year.
- In contrast, **Jonesboro** and **Pine Bluff** experienced the greatest rate of manufacturing job decline in the state during 2005 (see Chart 3). As a result, employment growth in these areas was below the state average. In addition, both areas ranked within the bottom 100 metropolitan areas in the nation for total employment







<sup>&</sup>lt;sup>1</sup>Out of 367 metropolitan areas in the nation.

growth over the past year. 1 On a positive note, manufacturing sectors in these areas are concentrated in the food segment, with the presence of Tyson's Foods, Frito-Lay, and Nestle.<sup>2</sup> Because food manufacturing is relatively less vulnerable to cyclical downturns and outsourcing, the presence of these companies should provide stable employment for these areas going forward, but is unlikely to be a significant growth driver.

#### Construction and development lending remains strong, but rising inventories in the northwest Arkansas market could trigger a slowdown.

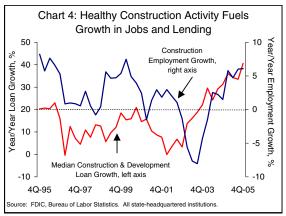
- While accounting for only 5 percent of total state employment, the construction sector experienced strong growth. The sector posted a strong 6.1 percent rate of growth in the fourth quarter of 2005 compared to a year ago. Construction and development lending also was strong at insured institutions headquartered in the state (see Chart 4).
- Construction activity is expected to benefit in the near term from several large-scale commercial projects that are underway in downtown Little Rock. In addition, both commercial and residential projects abound throughout the Fayetteville-Springdale-Rogers area.
- Rapid growth in residential construction is becoming a concern in the Fayetteville-Springdale-Rogers market. In Benton and Washington Counties alone, an estimated 17,500 residential lots are currently in the pipeline.<sup>3</sup> In the commercial segment, four projects are expected to bring an additional 2.87 million square feet of office or retail space to the area. 4 Overall vacancy rates remain moderate across the area, but there are isolated pockets of high vacancies. In Bentonville, for instance, the office and retail vacancy rate is approximately 25 percent.3 While Fayetteville-Springdale-Rogers continues to have one of the most vibrant economies in the nation. construction activity could cool as the market adjusts to the volume of space coming to market.

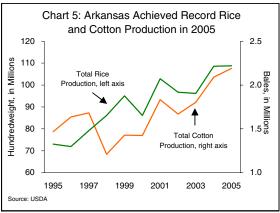
#### Arkansas' agriculture had a steady year in 2005 but will continue to feel the impact of higher costs, potential subsidy cuts, and localized drought conditions.

The overall value of Arkansas crops in 2005 was \$2.3 billion, down 6 percent from 2004. Despite drought conditions throughout much of the state, record rice and cotton crops were achieved in 2005 thanks to a strong

planting season (see Chart 5). However, yields for the state's three largest cash crops (rice, soybeans, and cotton) were down moderately from the previous year, primarily due to drought conditions, which reduced the volume of crops available for sale.

Farm finances will likely continue to be adversely affected by elevated energy costs in the near term. In addition, the 2007 Farm Bill is expected to trim subsidy payments for state farmers by \$1.4 billion, or 6.5 percent, from 2006 payments. Drought conditions are likely to improve throughout much of the state, except in northwest Arkansas, which should benefit most state farmers based on a recent National Weather Service forecast.<sup>5</sup>





<sup>&</sup>lt;sup>2</sup>The bulk of manufacturing job losses in Pine Bluff and Jonesboro appear to be related to durable

goods. <sup>3</sup>Brandi Willis, "2005 Real Estate Review," *Northwest Arkansas Business Journal*, January

<sup>2, 2006.

&</sup>lt;sup>4</sup>Stacey Roberts, "Office Space Outpacing Demand, "Arkansas Democrat-Gazette, January 25, 2006.

<sup>&</sup>lt;sup>5</sup>Available at: http://www.cpc.ncep.noaa.gov/products/expert\_assessment/seasonal\_drought.html.

## **Arkansas at a Glance**

<b>ECONOMIC INDICATORS</b>	(Change from year ago	unless noted)
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Total Nanform (shore of trolling four quarter employment in parentheses)	Employment Growth Rates	Q4-05	03-05	<b>Q4-04</b>	2004	2003
Solution (1		1.7%	1.9%	1.2%	1.1%	-0.1%
Private Service Producting (60%)   21%   24%   15%	Manufacturing (17%)					
Covernment   17%   Covernment	Other (non-manufacturing) Goods-Producing (5%)					
Denomplayment Rate   Sc of labor force)   4.8   4.8   5.3   5.6   5.8	Private Service-Producing (60%)					
Debt   Indicators   Q4-05   Q3-05   Q4-04   Z000   Z003						
Personal Income	Unemployment Rate (% of labor force)	4.8	4.9	5.3	5.6	5.8
Single-Family Hame Permits	Other Indicators	<b>Q4-05</b>	<b>Q3-05</b>	<b>Q</b> 4-04		2003
Mulfinnity Euilding Permits   213%   223%   83.0%   18.7%   16.2%   Existing Home Solas   28.8%   23.1%   12.0%   13.2%   3.1%   Home Price Index   7.5%   8.8%   8.9%   5.8%   4.2%   Norbusiness Bankruptcy Filings per 1000 people (quorterly annuolized level)   12.53   11.15   8.47   8.70   8.76   8.76   8.76   8.76   8.76   8.76   8.76   8.76   8.76   8.76   8.76   8.76   8.77   8.76   8.	Personal Income	N/A				
Existing frome Sole's   28.8%   23.1%   12.9%   13.2%   3.1%   12.0%   13.2%   3.1%   12.0%   13.2%						
Home Price Index						
Nonbusiness Bankrupts   Filings per 1000 people (quarterly annualized level   1253   1185   8.47   8.70   8.76						
BANKING TRENDS   General Information   Q4-05   Q3-05   Q4-04   2004   2001   Institutions (#)   161   163   168   168   170   161   Institutions (#)   163   168   168   170   161   Institutions (# < 3 years)   2   2   0   0   0   0   0   0   0   0						
Ceneral Information   Q4-05   Q3-05   Q4-04   Q004   D3003   Institutions (#   101   161   1		12.53	11.85	8.47	8.70	8.76
Institutions (#)	BANKING TRENDS					
Total Assets (in millions)	General Information	<b>Q4-05</b>	<b>Q3-05</b>	<b>Q</b> 4-04	2004	2003
New Institutions   \$\frac{1}{2} \cong \c	Institutions (#)				168	
Subchapter S Institutions   33   34   32   32   33     Asset Quality   Q4-05   Q3-05   Q4-04   2004   2004     Post-Due and Nonoccrual Loans ( Total Loans ( median %)   1.99   1.91   2.34   2.34   2.38     ALILL/ Noncurrent Loans ( median multiple)   1.83   1.57   1.50   1.50   1.47     ALILL/ Noncurrent Loans ( median multiple)   1.83   1.57   1.50   1.50   1.30     Net Loan Losses / Total Loans ( median multiple)   1.83   0.09   0.21   0.20   0.29     Capital / Earnings   Q4-05   Q3-05   Q4-04   2004   2004     Earnings   Q4-05   Q3-05   Q4-04   2004   2008		44,364	43,650	40,687	40,687	38,129
Asset Quality         Q4-05         Q3-05         Q4-04         2004         2000           Post-Due and Nonoccrual Loans (median %)         1.99         1.91         2.34         2.34         2.38           ALIL/Tobal Losns (median %)         1.42         1.41         1.150         1.50         1.47           ALIL/Noncurrent Loans (median multiple)         1.83         1.57         1.50         1.50         1.30           Net Loan Losses / Total Loans (median %)         0.18         0.09         0.21         0.20         0.23           Return on Assets (median %)         9.93         9.83         9.80         9.80         9.78           Return on Assets (median %)         0.95         1.07         0.98         1.09         1.09           Petrox Return on Assets (median %)         4.06         4.08         4.05         4.14         4.13           Yield on Ecoming Assets (median %)         4.06         4.08         4.05         4.14         4.13           Yield on Ecoming Assets (median %)         2.37         2.18         1.65         1.57         1.56           Cost of Funding Ecoming Asset (median %)         0.11         0.12         0.14         0.16         0.22           Cost of Euroding Ecoming Asset (median %) <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>						
Past-Due and Nonoccured Loans / Total Loans (median %)	Subchapter S Institutions	33	34	32	32	31
ALIL/Total Loans (median %)						
ALL/Noncurrent Loons (median multiple) Net Loon Losses / Total Loons (median %) Net Loon Assets (median %) Net Loon Assets (median %) Net Loon Assets (median %) Net Interest Margin (median %) Non N						
Net Loan Losses / Total Loans (median %)   0.18   0.09   0.21   0.20   0.28						
Capital / Earnings   Q4-05   Q3-05   Q4-04   Q004   Q003     Fier   Leverage (median %)   9.93   9.33   9.33   9.80   9.80   9.78     Return on Assets (median %)   1.90   1.10   1.10   1.10   1.10   1.10     Pretax Return on Assets (median %)   1.30   1.48   1.34   1.52   1.50     Nel Interest Margin (median %)   4.06   4.08   4.05   4.14   4.13     Yield on Earning Assets (median %)   6.37   6.25   5.70   5.66   5.99     Cost of Funding Earning Assets (median %)   2.37   2.18   1.65   1.57   1.84     Provisions to Avg. Assets (median %)   0.11   0.12   0.14   0.16   0.22     Noninterest Income to Avg. Assets (median %)   3.01   2.66   2.98   2.81   2.82     Liquidity / Sensitivity   04-05   03-05   04-04   2004   2003     Loans to Assets (median %)   2.75   28.7   25.0   25.0   23.9     Loans to Assets (median %)   2.75   28.7   25.0   25.0   23.9     Loans to Assets (median %)   2.75   28.7   25.0   25.0   23.9     Loans to Assets (median %)   2.75   28.7   25.0   25.0   23.9     Loans to Assets (median %)   2.75   28.7   25.0   25.0   23.9     Loans to Assets (median %)   2.75   28.7   25.0   25.0   23.9     Loans to Assets (median %)   2.75   28.7   25.0   25.0   23.9     Loans to Assets (median %)   2.75   28.7   25.0   25.0   23.9     Loans to Assets (median %)   2.75   28.7   25.0   25.0   23.9     Loans to Assets (median %)   2.75   28.7   25.0   25.0   23.9     Loans to Assets (median %)   2.75   28.7   25.0   25.0   23.9     Loans to Assets (median %)   2.75   28.7   25.0   25.0   23.9     Loans to Assets (median %)   2.75   28.7   25.0   25.0   23.9     Loans to Assets (median %)   2.75   28.7   25.0   25.0   23.9     Loans to Assets (median %)   2.75   28.7   25.0   25.0     Loans to Assets (median %)   2.75   28.7   25.0   25.0     Loans to Asset (median %)   2.75   2.75   28.7   25.0   25.0     Loans to Assets (median %)   2.75						
Tier   Leverage (median %)   9.93   9.83   9.80   9.80   9.78     Return on Assets (median %)   0.95   1.07   0.98   1.09   1.09     Pretox Return on Assets (median %)   1.30   1.48   1.34   1.52   1.50     Net Inherest Margin (median %)   4.06   4.08   4.05   4.14   4.13     Yield on Earning Assets (median %)   6.37   6.25   5.70   5.66   5.99     Cost of Funding Earning Assets (median %)   0.11   0.12   0.14   0.16   0.22     Noninterest Income to Avg. Assets (median %)   0.11   0.12   0.14   0.16   0.22     Noninterest Income to Avg. Assets (median %)   0.78   0.77   0.74   0.72   0.75     Overhead to Avg. Assets (median %)   0.78   0.77   0.74   0.72   0.75     Overhead to Avg. Assets (median %)   0.78   0.79   0.74   0.72   0.75     Overhead to Avg. Assets (median %)   0.78   0.79   0.74   0.72   0.75     Overhead to Avg. Assets (median %)   0.78   0.79   0.74   0.72   0.75     Overhead to Avg. Assets (median %)   0.78   0.79   0.74   0.72   0.75     Overhead to Avg. Assets (median %)   0.78   0.79   0.74   0.72   0.75     Overhead to Avg. Assets (median %)   0.78   0.75   0.70   0.74   0.72   0.75     Overhead to Avg. Assets (median %)   0.78   0.75   0.70   0.74   0.72   0.75     Overhead to Avg. Assets (median %)   0.78   0.75   0.7	Net Loan Losses / Total Loans (median %)	0.18	0.09	0.21	0.20	0.29
Return on Assets (median %)   0.95   1.07   0.98   1.09   1.09     Pretax Return on Assets (median %)   1.30   1.48   1.34   1.52   1.50     Net Interest Margin (median %)   4.06   4.08   4.05   4.14   4.13     Yield on Earning Assets (median %)   6.37   6.25   5.70   5.66   5.99     Cost of Funding Earning Assets (median %)   0.11   0.12   0.14   0.16   0.22     Noninterest Income to Avg. Assets (median %)   0.78   0.77   0.74   0.72   0.75     Noninterest Income to Avg. Assets (median %)   0.78   0.77   0.74   0.72   0.75     Overhead to Avg. Assets (median %)   0.78   0.77   0.74   0.72   0.75     Overhead to Avg. Assets (median %)   0.78   0.79   0.74   0.72   0.75     Overhead to Avg. Assets (median %)   0.78   0.79   0.74   0.72   0.75     Overhead to Avg. Assets (median %)   0.78   0.79   0.74   0.72   0.75     Overhead to Avg. Assets (median %)   0.78   0.79   0.74   0.72   0.75     Overhead to Avg. Assets (median %)   0.78   0.79   0.74   0.72   0.75     Overhead to Avg. Assets (median %)   0.78   0.79   0.74   0.72   0.75     Overhead to Avg. Assets (median %)   0.79   0.76   0.70   0.74   0.72   0.75     Overhead to Avg. Assets (median %)   0.70   0.78   0.75   0.74   0.72   0.75     Overhead to Avg. Assets (median %)   0.70   0.78   0.75   0.74   0.72   0.75     Overhead to Avg. Assets (median %)   0.70   0.78   0.77   0.74   0.72   0.75     Overhead to Avg. Assets (median %)   0.70   0.78   0.75   0.75   0.70   0.74   0.72   0.75     Overhead to Assets (median %)   0.70   0.78   0.77   0.78   0.77   0.74   0.72   0.75     Overhead to Assets (median %)   0.70   0.78   0.77   0.78   0.77   0.74   0.72   0.75     Overhead to Assets (median %)   0.70   0.78   0.77   0.78						
Pretax Return on Assets (median %)         1.30         1.48         1.34         1.52         1.50           Net Interest Morgin (median %)         4.06         4.08         4.05         4.14         4.13           Yield on Earning Assets (median %)         6.23         6.25         5.70         5.66         5.99           Cost of Funding Earning Assets (median %)         2.37         2.18         1.65         1.57         1.84           Provisions to Avg. Assets (median %)         0.11         0.12         0.14         0.16         0.22           Noninterest Income to Avg. Assets (median %)         0.78         0.77         0.74         0.72         0.75           Overhead to Avg. Assets (median %)         0.30         2.80         2.98         2.81         2.82           Liquidity / Sensitivity         0.405         0.30-05         0.404         2.004         2.003           Long Sensitivity         0.415         0.275         2.87         2.50         2.50         2.33           Long Sensitivity         0.405         0.275         2.87         2.50         2.50         2.33           Long Sensitivity         0.406         0.21         2.23         2.23         2.21         2.23           Lo						
Net Interest Margin (median %)						
Signatury   Sign						
Cost of Funding Earning Assets (median %)   2.37   2.18   1.65   1.57   1.84     Provisions to Avg. Assets (median %)   0.11   0.12   0.14   0.16   0.22     Noninterest Income to Avg. Assets (median %)   3.01   2.86   2.98   2.81   2.82     Liquidity / Sensitivity   04-05   03-05   04-04   2004   2003     Loans to Assets (median %)   61.7   63.8   60.6   60.6   69.1     Noncore Funding to Assets (median %)   27.5   28.7   25.0   25.0   23.9     Brokered Deposits (median %)   27.5   28.7   25.0   25.0   23.9     Brokered Deposits (median %)   64   60   45   45   45   40     Brokered Deposits (median % for those above)   3.5   3.7   5.2   5.2   3.9     Loan Concentrations (median % of Tier 1 Capital)   04-05   03-05   04-04   2004   2003     Commercial Real Estate   81.0   175.1   170.6   170.6   191.4     Construction & Development   47.1   50.6   40.5   40.5   40.5   27.3     Whitiamily Residential Real Estate   4.2   4.0   4.0   4.0   3.9     Noncreidential Real Estate   130.4   123.8   117.1   117.1   113.5     Residential Real Estate   145.9   146.0   154.0   154.0   156.7     Consumer Agree Deposit Markets   145.9   146.0   154.0   154.0   156.7     Consumer Agree Deposit Markets   145.9   146.0   154.0   154.0   156.7     Consumer Agree Deposit Markets   145.9   146.0   154.0   154.0   156.7     Consumer Agree Deposit Markets   145.9   146.0   154.0   154.0   156.7     Consumer Agree Deposit Markets   145.9   146.0   154.0   154.0   156.7     Consumer Agree Deposit Markets   145.9   146.0   154.0   154.0   156.7     Consumer Agree Deposit Markets   145.9   146.0   154.0   154.0   156.7     Consumer Agree Deposit Markets   145.9   146.0   154.0   154.0   156.7     Consumer Agree Deposit Markets   145.9   146.0   154.0   154.0   156.7     Consumer Agree Deposit Markets   145.9   146.0   154.0   154.0   156.7     Consumer Agree Deposit Markets   145.9   146.0   154.0   154.0   156.7     Consumer Agree Deposit Markets   145.9   146.0   154.0   154.0   156.7     Consumer Agree Deposit Markets   145.9   145.0						
Provisions to Avg. Assels (median %)         0.11         0.12         0.14         0.16         0.22           Noninterest Income to Avg. Assels (median %)         0.78         0.77         0.74         0.72         0.75           Overhead to Avg. Assels (median %)         3.01         2.86         2.98         2.81         2.82           Liquidity / Sensitivity         04-05         03-05         04-04         2004         2003           Loan to Assels (median %)         16.17         63.8         60.6         60.6         59.1           Noncore Funding to Assels (median %)         27.5         28.7         25.0         25.0         23.9           Long term Assels to Assels (median %, call filers)         12.6         12.6         12.3         12.3         14.9           Brokered Deposits to Assels (median % for those above)         3.5         3.7         5.2         5.2         3.9           Loan Concentrations (median % for those above)         3.5         3.7         5.2         5.2         3.9           Loan Concentrations (median % of Tier 1 Capital)         04-05         03-05         04-04         2004         2003           Commercial Real Estate         181.0         175.1         170.6         170.6         170.6         151						
Noninterest Income to Avg. Assets (median %)         0.78         0.77         0.74         0.72         0.75           Overhead to Avg. Assets (median %)         3.01         2.86         2.98         2.81         2.82           Liquidity / Sensitivity         04-05         03-05         04-04         2004         2003           Loans to Assets (median %)         61.7         63.8         60.6         60.6         59.1           Noncore Funding to Assets (median %)         27.5         28.7         25.0         25.0         23.9           Long-term Assets to Assets (median %, call filers)         12.6         12.6         12.3         12.3         14.9           Brokered Deposits (number of institutions)         64         60         45         45         40           Brokered Deposits to Assets (median % for those above)         3.5         3.7         5.2         5.2         3.9           Brokered Deposits to Assets (median % of Tier 1 Capital)         04-05         03-05         04-04         2004         2003           Commercial and Industrial         8.38         77.9         79.2         79.2         81.0           Commercial Real Estate         181.0         175.1         170.6         170.6         151.4           <						
Overhead to Avg. Assets (median %)         3.01         2.86         2.98         2.81         2.82           Liquidity / Sensitivity         Q4-05         Q3-05         Q4-04         2004         2003           Loans to Assets (median %)         61.7         63.8         60.6         60.6         59.1           Noncore Funding to Assets (median %)         27.5         28.7         25.0         25.0         23.9           Long-term Assets to Assets (median %, call filers)         12.6         12.6         12.3         12.3         12.3         14.9           Brokered Deposits (number of institutions)         64         60         45         45         40           Brokered Deposits to Assets (median % for those above)         3.5         3.7         5.2         5.2         3.9           Loan Concentrations (median % of Tier 1 Capital)         Q4-05         Q3-05         Q4-04         2004         2003           Commercial and Industrial         83.8         77.9         79.2         79.2         81.0           Commercial Beal Estate         181.0         175.1         170.6         170.5         151.4           Construction & Development         47.1         50.6         40.5         40.5         40.5         40.5 <t< td=""><td></td><td></td><td></td><td></td><td></td><td></td></t<>						
Liquidity / Sensitivity   Q4-05   Q3-05   Q4-04   Q004   Q003     Loans to Assets (median %)   61.7   63.8   60.6   60.6   69.1     Noncore Funding to Assets (median %)   27.5   28.7   25.0   25.0   23.9     Loang term Assets to Assets (median %, call filers)   12.6   12.6   12.3   12.3   14.9     Brokered Deposits (number of institutions)   64   60   45   45   40     Brokered Deposits to Assets (median % for those above)   3.5   3.7   5.2   5.2   3.9     Laan Concentrations (median % of Tier 1 Capital)   Q4-05   Q3-05   Q4-04   Q004   Q003     Commercial and Industrial   83.8   77.9   79.2   79.2   81.0     Commercial Real Estate   181.0   175.1   170.6   170.6   151.4     Construction & Development   47.1   50.6   40.5   40.5   27.3     Multifamily Residential Real Estate   130.4   123.8   117.1   117.1   13.5     Nonresidential Real Estate   130.4   123.8   117.1   117.1   13.5     Residential Real Estate   145.9   146.0   154.0   154.0   156.7     Consumer   51.2   51.5   55.4   55.4   62.4     Agriculture   45.2   48.3   41.9   41.9   44.3     BANKING PROFILE   Institutions in Deposits   Asset     Largest Deposit Markets   Market   (\$millions)   Deposits   Sibilition \$1   118 (73.3%)     Little Rock-North Little Rock, AR   37   9,799   \$250 million \$1   118 (73.3%)     Fory Smith, AR-OK   30   6,365   \$1   billion to \$10   billion   6 (3.7%)     Fort Smith, AR-OK   23   3,514   \$150   510   billion   5 (0.0%)     Consumer   51.2   51.5   51.5   51.5   51.5   51.5   51.5   51.5   51.5     Consumer   51.2   51.5   55.4   55.4   62.4     Consumer   51.2   51.5   55.4   55.4   62.4						
Loans to Assets (median %)   61.7   63.8   60.6   60.6   59.1     Noncore Funding to Assets (median %)   27.5   28.7   25.0   25.0   23.9     Long-term Assets to Assets (median %, call filers)   12.6   12.6   12.3   12.3   14.9     Brokered Deposits (number of institutions)   64   60   45   45   40     Brokered Deposits to Assets (median % for those above)   3.5   3.7   5.2   5.2   3.9     Loan Concentrations (median % of Tier 1 Capital)   04-05   03-05   04-04   2004   2003     Commercial and Industrial   83.8   77.9   79.2   79.2   81.0     Commercial Real Estate   181.0   175.1   170.6   170.6   151.4     Construction & Development   47.1   50.6   40.5   40.5   40.5   27.3     Multifamily Residential Real Estate   4.2   4.0   4.0   4.0   3.9     Nonresidential Real Estate   130.4   123.8   117.1   117.1   113.5     Residential Real Estate   145.9   146.0   154.0   154.0   156.7     Consumer   51.2   51.5   55.4   55.4   62.4     Agriculture   45.2   48.3   41.9   41.9   44.3    BANKING PROFILE   Institutions in Deposits   Asset Distribution   Institutions     Memphis, TN-MS-AR   52   26.946   S250 million to \$1 billion   118 (73.3%)     Foyetteville-Springdale-Rogers, AR-MO   30   6,365   \$1 billion to \$1 billion   37 (23%)     Fort Smith, AR-OK   23   3,514   >\$10 billion   510 billion   0 (0%)						
Noncore Funding to Assets (median %)   27.5   28.7   25.0   25.0   23.9						
Long-term Assets to Assets (median %, call filers)   12.6   12.6   12.3   12.3   14.9     Brokered Deposits (number of institutions)   64   60   45   45   40     Brokered Deposits to Assets (median % for those above)   3.5   3.7   5.2   5.2   3.9     Loan Concentrations (median % of Tier 1 Capital)   Q4-05   Q3-05   Q4-04   Q004   Q003     Commercial and Industrial   83.8   77.9   79.2   79.2   81.0     Commercial Real Estate   181.0   175.1   170.6   170.6   151.4     Construction & Development   47.1   50.6   40.5   40.5   40.5   27.3     Multifamily Residential Real Estate   4.2   4.0   4.0   4.0   3.9     Nonresidential Real Estate   130.4   123.8   117.1   117.1   113.5     Residential Real Estate   145.9   146.0   154.0   154.0   156.7     Consumer   51.2   51.5   55.4   55.4   62.4     Agriculture   45.2   48.3   41.9   41.9   44.3     BANKING PROFILE   Institutions in Deposits   Asset     Largest Deposit Markets   Market   (\$millions)   Deposits   Capital Market   Cap						
Brokered Deposits (number of institutions)         64         60         45         45         40           Brokered Deposits to Assets (median % for those above)         3.5         3.7         5.2         5.2         3.9           Loan Concentrations (median % of Tier 1 Capital)         Q4-05         Q3-05         Q4-04         2004         2003           Commercial and Industrial         83.8         77.9         79.2         79.2         81.0           Commercial Real Estate         181.0         175.1         170.6         170.6         151.4           Construction & Development         47.1         50.6         40.5         40.5         27.3           Multifamily Residential Real Estate         4.2         4.0         4.0         4.0         3.9           Nonresidential Real Estate         130.4         123.8         117.1         117.1         113.5           Residential Real Estate         145.9         146.0         154.0         154.0         156.7           Consumer         51.2         51.5         55.4         55.4         55.4         55.4         55.4         55.4         55.4         55.4         55.4         55.4         55.4         55.4         55.4         55.4         55.4         5						
Brokered Deposits to Assets (median % for those above)         3.5         3.7         5.2         5.2         3.9           Loan Concentrations (median % of Tier 1 Capital)         04-05         03-05         04-04         2004         2003           Commercial and Industrial         83.8         77.9         79.2         79.2         81.0           Commercial Real Estate         181.0         175.1         170.6         170.6         151.4           Construction & Development         47.1         50.6         40.5         40.5         27.3           Multifamily Residential Real Estate         4.2         4.0         4.0         4.0         3.9           Nonresidential Real Estate         130.4         123.8         117.1         117.1         113.5           Residential Real Estate         145.9         146.0         154.0         156.7           Consumer         51.2         51.5         55.4         55.4         62.4           Agriculture         45.2         48.3         41.9         41.9         44.3           BANKING PROFILE         Institutions in Market         Deposits         Asset						
Loan Concentrations (median % of Tier 1 Capital)         04-05         03-05         04-04         2004         2003           Commercial and Industrial         83.8         77.9         79.2         79.2         81.0           Commercial Real Estate         181.0         175.1         170.6         170.6         151.4           Construction & Development         47.1         50.6         40.5         40.5         27.3           Multifamily Residential Real Estate         4.2         4.0         4.0         4.0         3.9           Nonresidential Real Estate         130.4         123.8         117.1         117.1         113.5           Residential Real Estate         145.9         146.0         154.0         154.0         156.7           Consumer         51.2         51.5         55.4         55.4         62.4           Agriculture         45.2         48.3         41.9         41.9         44.3           BANKING PROFILE           Largest Deposit Markets         Market         (\$millions)         Distribution         Institutions           Memphis, TN-MS-AR         52         26,946         <\$250 million						
Commercial and Industrial         83.8         77.9         79.2         79.2         79.2         81.0           Commercial Real Estate         181.0         175.1         170.6         170.6         151.4           Construction & Development         47.1         50.6         40.5         40.5         27.3           Multifamily Residential Real Estate         4.2         4.0         4.0         4.0         3.9           Nonresidential Real Estate         130.4         123.8         117.1         117.1         113.5           Residential Real Estate         145.9         146.0         154.0         154.0         156.7           Consumer         51.2         51.5         55.4         55.4         62.4           Agriculture         45.2         48.3         41.9         41.9         44.3           BANKING PROFILE         Institutions in Market         Secondary Second	•					
Commercial Real Estate         181.0         175.1         170.6         170.6         151.4           Construction & Development         47.1         50.6         40.5         40.5         27.3           Multifamily Residential Real Estate         4.2         4.0         4.0         4.0         3.9           Nonresidential Real Estate         130.4         123.8         117.1         117.1         113.5           Residential Real Estate         145.9         146.0         154.0         154.0         156.7           Consumer         51.2         51.5         55.4         55.4         62.4           Agriculture         45.2         48.3         41.9         41.9         44.3           BANKING PROFILE           Largest Deposit Markets         Market         (\$ millions)         Deposits         Asset           Memphis, TN-MS-AR         52         26,946         < \$250 million         118 (73.3%)           Little Rock-North Little Rock, AR         37         9,799         \$250 million to \$1 billion to \$1 billion to \$10 billion         6 (3.7%)           Fort Smith, AR-OK         23         3,514         >\$10 billion to \$10 billion						
Construction & Development         47.1         50.6         40.5         40.5         27.3           Multifamily Residential Real Estate         4.2         4.0         4.0         4.0         3.9           Nonresidential Real Estate         130.4         123.8         117.1         117.1         113.5           Residential Real Estate         145.9         146.0         154.0         154.0         156.7           Consumer         51.2         51.5         55.4         55.4         62.4           Agriculture         45.2         48.3         41.9         41.9         44.3           BANKING PROFILE         Institutions in Deposits Markets         Market (\$millions)         Distribution Institutions           Memphis, TN-MS-AR         52         26,946         <\$250 million						
Multifamily Residential Real Estate         4.2         4.0         4.0         4.0         3.9           Nonresidential Real Estate         130.4         123.8         117.1         117.1         113.5           Residential Real Estate         145.9         146.0         154.0         154.0         156.7           Consumer         51.2         51.5         55.4         55.4         62.4           Agriculture         45.2         48.3         41.9         41.9         44.3           BANKING PROFILE           Largest Deposit Markets         Market         (\$ millions)         Distribution         Institutions           Memphis, TN-MS-AR         52         26,946         <\$250 million						
Nonresidential Real Estate   130.4   123.8   117.1   117.1   113.5						
Residential Real Estate         145.9         146.0         154.0         154.0         156.7           Consumer         51.2         51.5         55.4         55.4         62.4           Agriculture         45.2         48.3         41.9         41.9         44.3           BANKING PROFILE           Largest Deposit Markets         Market         (\$ millions)         Distribution         Institutions           Memphis, TN-MS-AR         52         26,946         <\$250 million						
Agriculture         45.2         48.3         41.9         41.9         44.3           BANKING PROFILE           Largest Deposit Markets         Institutions in Market         Deposits (\$millions)         Asset           Memphis, TN-MS-AR         52         26,946         <\$250 million		145.9		154.0	154.0	
BANKING PROFILE           Largest Deposit Markets         Market         (\$ millions)         Distribution         Institutions           Memphis, TN-MS-AR         52         26,946         <\$250 million	Consumer	51.2	51.5	55.4	55.4	62.4
Largest Deposit Markets         Market         (\$ millions)         Deposits         Asset           Memphis, TN-MS-AR         52         26,946         <\$250 million	Agriculture	45.2	48.3	41.9	41.9	44.3
Largest Deposit Markets         Market         (\$ millions)         Deposits         Asset           Memphis, TN-MS-AR         52         26,946         <\$250 million	BANKING PROFILE					
Largest Deposit Markets         Market         (\$ millions)         Distribution         Institutions           Memphis, TN-MS-AR         52         26,946         <\$250 million		Institutions in	Denosits		Asset	
Memphis, TN-MS-AR         52         26,946         <\$250 million         118 (73.3%)           Little Rock-North Little Rock, AR         37         9,799         \$250 million to \$1 billion         37 (23%)           Fayetteville-Springdale-Rogers, AR-MO         30         6,365         \$1 billion to \$10 billion         6 (3.7%)           Fort Smith, AR-OK         23         3,514         >\$10 billion         0 (0%)	Largest Deposit Markets					Institutions
Little Rock-North Little Rock, AR       37       9,799       \$250 million to \$1 billion       37 (23%)         Fayetteville-Springdale-Rogers, AR-MO       30       6,365       \$1 billion to \$10 billion       6 (3.7%)         Fort Smith, AR-OK       23       3,514       >\$10 billion       0 (0%)				_		
Fayetteville-Springdale-Rogers, AR-MO         30         6,365         \$1 billion to \$10 billion         6 (3.7% )           Fort Smith, AR-OK         23         3,514         >\$10 billion         0 (0% )		37		\$250 n	nillion to \$1 billion	
Fort Smith, AR-OK 23 3,514 >\$10 billion 0 (0% )		30	6,365	\$1 bi	llion to \$10 billion	
Jonesboro, AR 15 1,957	Fort Smith, AR-OK				>\$10 billion	0 (0% )
	Jonesboro, AR	15	1,957			